

## STATE OF MINNESOTA

## EIGHTY-THIRD SESSION — 2004

## SEVENTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 24, 2004

The House of Representatives convened at 3:00 p.m. and was called to order by Steve Sviggum, Speaker of the House.

Prayer was offered by the Reverend Bruce Talso, Wyanett Evangelical Free Church, Brooklyn Park, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abeler	Demmer	Hilty	Lenczewski	Otremba	Soderstrom
Abrams	Dempsey	Holberg	Lesch	Otto	Solberg
Adolphson	Dill	Hoppe	Lieder	Ozment	Stang
Anderson, B.	Dorman	Hornstein	Lindgren	Paulsen	Swenson
Anderson, I.	Dorn	Howes	Lindner	Paymar	Sykora
Anderson, J.	Eastlund	Huntley	Lipman	Pelowski	Thao
Atkins	Eken	Jacobson	Magnus	Penas	Thissen
Beard	Ellison	Jaros	Mahoney	Peterson	Tingelstad
Bernardy	Entenza	Johnson, J.	Mariani	Powell	Urdahl
Blaine	Erhardt	Johnson, S.	Marquart	Pugh	Vandever
Borrell	Erickson	Juhnke	McNamara	Rhodes	Wagenius
Boudreau	Finstad	Kahn	Mullery	Rukavina	Walker
Bradley	Fuller	Kelliher	Murphy	Ruth	Walz
Brod	Gerlach	Klinzing	Nelson, C.	Samuelson	Wardlow
Buesgens	Goodwin	Knoblach	Nelson, M.	Seagren	Wasiluk
Carlson	Greiling	Koenen	Nelson, P.	Seifert	Westerberg
Clark	Gunther	Kohls	Newman	Sertich	Westrom
Cornish	Haas	Krinkie	Nornes	Severson	Wilkin
Cox	Hackbarth	Kuisle	Olsen, S.	Sieben	Zellers
Davids	Hausman	Lanning	Olson, M.	Simpson	Spk. Sviggum
Davnie	Heidgerken	Larson	Opatz	Slawik	
DeLaForest	Hilstrom	Latz	Osterman	Smith	

A quorum was present.

Harder, Meslow and Strachan were excused.

Biernat was excused until 4:55 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Nelson, C., moved that further reading of the Journal be suspended and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

S. F. No. 1604 and H. F. No. 1754, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Samuelson moved that the rules be so far suspended that S. F. No. 1604 be substituted for H. F. No. 1754 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1671 and H. F. No. 1936, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Finstad moved that the rules be so far suspended that S. F. No. 1671 be substituted for H. F. No. 1936 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1958 and H. F. No. 2033, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Solberg moved that S. F. No. 1958 be substituted for H. F. No. 2033 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2300 and H. F. No. 2482, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Erhardt moved that the rules be so far suspended that S. F. No. 2300 be substituted for H. F. No. 2482 and that the House File be indefinitely postponed. The motion prevailed.

### REPORTS OF STANDING COMMITTEES

Ozment from the Committee on Environment and Natural Resources Finance to which was referred:

H. F. No. 124, A bill for an act relating to natural resources; appropriating money for Mesabi Station on the Mesabi Trail.

Reported the same back with the following amendments:

Page 1, line 6, delete "general" and insert "bond proceeds"

Page 1, after line 14, insert:

"Sec. 2. [BOND SALE.]

To provide the money appropriated in this act from the bond proceeds fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$2,500,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7."

Amend the title as follows:

Page 1, line 3, after "Trail" insert "; authorizing the issuance of state bonds"

With the recommendation that when so amended the bill be re-referred to the Committee on Capital Investment without further recommendation.

The report was adopted.

Kuisle from the Committee on Transportation Finance to which was referred:

H. F. No. 2024, A bill for an act relating to motor vehicles; modifying vehicle certificate of title provisions; amending Minnesota Statutes 2002, sections 168A.02, subdivision 2; 168A.07, by adding a subdivision; 168A.11, subdivision 1, by adding a subdivision.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 2

Page 2, delete lines 5 to 16 and insert:

"Subdivision 1. [~~APPLICATION REQUIREMENTS UPON SUBSEQUENT TRANSFER.~~] (a) ~~If A dealer who buys a vehicle and holds it for resale and procures the certificate of title from the owner, and complies with subdivision 2 hereof, the dealer~~ need not apply for a certificate of title, ~~but~~. Upon transferring the vehicle to another person, other than by the creation of a security interest, the dealer shall promptly execute the assignment and warranty of title by a dealer, showing the names and addresses of the transferee and of any secured party holding a security interest created or reserved at the time of the resale, and the date of the security agreement in the spaces provided therefor on the certificate of title or secure reassignment."

Page 2, line 27, after "certificate" insert "of title"

Page 3, after line 2, insert:

"(e) With respect to vehicles sold to buyers who will remove the vehicle from this state, the dealer shall remove any license plates from the vehicle, issue a 31-day temporary permit pursuant to section 168.091, and notify the registrar within 48 hours of the sale that the vehicle has been removed from this state. The notification must be made in an electronic format prescribed by the registrar. The dealer may contract with a deputy registrar for the notification of sale to an out-of-state buyer. The deputy registrar may charge a fee not to exceed \$7 per transaction to provide this service.

Sec. 3. Minnesota Statutes 2002, section 168A.11, subdivision 2, is amended to read:

Subd. 2. [~~PURCHASE RECEIPT NOTIFICATION ON VEHICLE HELD FOR RESALE.~~] ~~A dealer, on buying a vehicle for which the seller does not present a certificate of title, shall at the time of taking delivery of the vehicle execute a purchase receipt for the vehicle in a format designated by the department, and deliver a copy to the seller. In a format and at a time prescribed by the registrar, the dealer shall notify the registrar that the vehicle is being held for resale by the dealer.~~ Within 48 hours of acquiring a vehicle titled and registered in Minnesota, a dealer shall notify the registrar that the dealership is holding the vehicle for resale. The notification must be made electronically as prescribed by the registrar. The dealer may contract this service to a deputy registrar and the registrar may charge a fee not to exceed \$7 per transaction to provide this service."

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete line 5 and insert "168A.11, subdivisions"

Page 1, line 6, after the comma, insert "2,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Ozment from the Committee on Environment and Natural Resources Finance to which was referred:

H. F. No. 2334, A bill for an act relating to natural resources; modifying provisions for the sale and disposition of surplus state lands; modifying certain state land management provisions; adding to and removing from certain state forests, state wildlife management areas, and land use districts; authorizing public and private sales and exchanges of certain state lands; modifying prior sale authorization; appropriating money; amending Minnesota Statutes 2002, sections 15.054; 84.0272, by adding subdivisions; 85.015, subdivision 1; 86A.05, subdivision 14; 89.01, by adding a subdivision; 92.02; 92.03; 92.04; 92.06, subdivisions 1, 2, 4, 5, by adding a subdivision; 92.08; 92.10, subdivision 2; 92.12, subdivisions 1, 2, 4, 5; 92.121; 92.14, subdivision 1; 92.16, by adding a subdivision; 92.28; 92.29; 92.321, subdivision 1; 94.09, subdivisions 1, 3; 94.10; 94.11; 94.12; 94.13; 94.16, subdivision 2; 282.01, subdivision 3; Minnesota Statutes 2003 Supplement, sections 525.161; 525.841; Laws 1999, chapter 161, section 31, subdivisions 3, 5, 8; Laws 2003, First Special Session chapter 13, section 16; proposing coding for new law in Minnesota Statutes, chapters 16B; 92; repealing Minnesota Statutes 2002, sections 92.09; 92.11; 94.09, subdivisions 2, 4, 5, 6.

Reported the same back with the following amendments:

Page 25, line 31, delete "July" and insert "August"

Page 36, after line 4, insert:

"Sec. 11. [PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; CHISAGO COUNTY.]

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Chisago County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general.

(c) The land to be sold is located in Chisago County and is described as:

(1) an undivided 4/7th interest in and to that part of Government Lot 3 described as follows: Beginning at the southwest corner of the recorded plat of Bergquist's Beach; thence South 64 degrees 16 minutes East, along the southerly line of Bergquist's Beach, a distance of 216 feet more or less to the high water line of North Center Lake; thence southerly along the high water line of the bay to North Center Lake, a distance of 300 feet more or less, to the point of intersection with the southerly projection of the westerly line of Bergquist's Beach; thence North 16 degrees 18 minutes East along said southerly projection of the westerly line of Bergquist's Beach a distance of 50 feet more or less to the point of beginning, Section 21, Township 34, Range 21;

(2) all that part of the Northeast Quarter of the Northwest Quarter lying south of the centerline of County Ditch No. 5, Section 9, Township 34, Range 21;

(3) the West Half of the Northeast Quarter of the Southeast Quarter, Section 32, Township 33, Range 21;

(4) that part of the Northwest Quarter of the Southeast Quarter described as follows: Beginning at the center of Section 32; thence South along the north/south quarter line of Section 32, 446 feet; thence East deflecting 90 degrees to the left 126.20 feet to the point of beginning on the easterly right-of-way line of Trunk Highway No. 61; thence continuing East along the easterly projection of the last described course 469.20 feet to a point 595.40 feet East of the west line of the Northwest Quarter of the Southeast Quarter; thence North deflecting 90 degrees to the left 178.20 feet; thence East deflecting 90 degrees to the right 725 feet more or less to the east line of the Northwest Quarter of the Southeast Quarter of Section 32; thence southerly along said east line 1,059.00 feet more or less to the southeast corner of the Northwest Quarter of the Southeast Quarter of Section 32; thence westerly along the south line of the Northwest Quarter of Southeast Quarter of Section 32, 1,125.00 feet more or less to the easterly right-of-way line of Trunk Highway No. 61; thence northerly along said easterly right-of-way line 903.00 feet more or less to the point of beginning. Except that part beginning at the center of Section 32; thence South 446 feet; thence East 595.40 feet; thence North 178.20 feet to the point of beginning; thence continuing East 725 feet; thence South 301 feet; thence West 725 feet; thence North 301 feet to the point of beginning, Section 32, Township 33, Range 21;

(5) that part of the Northeast Quarter of the Northeast Quarter described as follows: Beginning at the northeast corner of Section 29; thence West 49 feet; thence South 156 feet; thence East 49 feet; thence North 156 feet to the point of beginning; and also beginning 3 rods west of the northeast corner of the Northeast Quarter of the Northeast Quarter of Section 29; thence West 140 feet; thence South to the center of Goose Creek; thence following the center of Goose Creek to a point directly South of the point of beginning; thence North to the point of beginning, Section 29, Township 36, Range 21; and

(6) Outlot E of Kates Estates.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership."

Page 43, after line 2, insert:

"Sec. 21. [PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ROCK COUNTY.]

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Rock County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) A deed restriction shall be a part of the sale that prevents any tillage or building construction on the property and grazing shall be limited to stocking rates approved by the United States Department of Agriculture, Natural Resources Conservation Service.

(c) The conveyance must be in a form approved by the attorney general.

(d) The land to be sold is located in Rock County and is described as: the North 580.08 feet of the South 2112.08 feet of the East 875 feet of the SE 1/4 of Section 26, Township 104 North, Range 44 West.

(e) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

[EFFECTIVE DATE.] This section is effective the day following final enactment."

Renumber the sections in sequence

With the recommendation that when so amended the bill pass.

The report was adopted.

Ozment from the Committee on Environment and Natural Resources Finance to which was referred:

H. F. No. 2350, A bill for an act relating to appropriations; requiring that the grant period for a flood mitigation project grant to the city of Stillwater be extended.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Capital Investment.

The report was adopted.

Ozment from the Committee on Environment and Natural Resources Finance to which was referred:

H. F. No. 2360, A bill for an act relating to natural resources; modifying certain state park fee and permit requirements; modifying rulemaking authority; modifying provisions for the Fort Snelling lease; adding to state parks and recreation areas; amending Minnesota Statutes 2002, sections 85.052, subdivision 4; 85.054, subdivision 7, by adding a subdivision; 85.22, subdivision 2a; 85.34, by adding subdivisions; Minnesota Statutes 2003 Supplement, section 16B.24, subdivision 5; repealing Minnesota Statutes 2002, section 85.34, subdivision 4.

Reported the same back with the following amendments:

Page 11, line 21, delete everything after the semicolon

Page 11, delete lines 22 to 36

Page 12, delete lines 1 to 29

Page 12, line 30, delete everything before the second "all" and insert "all that part of Government Lot 2, Section 15, Township 56, Range 7 West, lying southeasterly of U.S. Highway No. 61, EXCEPT that part of Government Lot 2, described as follows: Commencing at the quarter corner between said Sections 15 and 22, 56-7; thence running East along section line between said Sections 15 and 22 to a point 503.0 feet East of said quarter corner; thence turning an angle of 75 degrees 00 minutes to the left and running 425.0 feet to a point designated by a 2-inch iron pipe, being the point of beginning; thence running in a northwesterly direction to a point on the west boundary line of Government Lot 2, which will be approximately 970.0 feet north of the quarter corner between said Sections 15 and 22; thence North along west boundary line of Government Lot 2 to the northwest corner of Government Lot 2; thence East along north boundary line of Government Lot 2 approximately 240.0 feet; thence in southeasterly direction to a point on east side of point of rocks projecting into Lake Superior marked with an X; thence in a southwesterly direction along the shore of Lake Superior to the point of beginning. (X mark on rock being in a line making a deflection angle of 45 degrees 51 minutes to the left with east and west section line from a point on the section line 503.0 feet East of the quarter corner between Sections 15 and 22 and being approximately 830 feet from said point on said section line.) Said parcel to contain ten acres and to be subject to existing right-of-way easements and all mineral and gravel rights heretofore granted, AND EXCEPT that part of Government Lot 2, described as follows: Commencing at the northeast corner of Government Lot 2 marked by an iron pipe, set in 1964 by Tofte, Lice #2888; thence South 89 degrees 49 minutes 00 seconds West, assumed bearing, along the north line of said Lot 2 a distance of 599.2 feet; thence southwesterly 105.69 feet along a non-tangential curve to the right, radius of 2864.79 feet, delta angle of 02 degrees 06 minutes 50 seconds, chord of 105.69 feet, chord bearing of South 32 degrees 14 minutes 35 seconds West; thence South 33 degrees 18 minutes 00 seconds West 193.70 feet to the point of beginning of the parcel herein described; thence returning North 33 degrees 18 minutes 00 seconds East 20.17 feet; thence South 70 degrees 21 minutes 14 seconds East 51.45 feet; thence South 62 degrees 07 minutes 40 seconds East 389.11 feet; thence South 81 degrees 45 minutes 44 seconds East 100.18 feet; thence South 72 degrees 51 minutes 58 seconds East 181 feet more or less to the shore of Lake Superior; thence southwesterly along said shore 265 feet more or less to the intersection with a line bearing South 47 degrees 37 minutes 00 seconds East from the point of beginning; thence North 47 degrees 37 minutes 00 seconds West 697 feet more or less to the point of beginning; all that part of the Southeast Quarter of the Southwest Quarter of Section 15, Township 56, Range 7 West, lying southeasterly of U.S. Highway No. 61;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Gunther from the Committee on Jobs and Economic Development Finance to which was referred:

H. F. No. 2386, A bill for an act relating to state government; merging the Department of Economic Security and the Department of Employment and Economic Development; making corresponding technical and housekeeping changes; amending Minnesota Statutes 2002, sections 3.922, subdivision 10; 15.0591, subdivision 2; 116J.01, subdivisions 4, 5; 116J.035, subdivision 2; 116J.551; 116J.64, subdivisions 4, 5, 7, 8, 9, by adding a subdivision; 116L.01, subdivision 1; 116L.05, subdivision 4; 119A.46, subdivision 8; 144.9503, subdivision 1; 171.321, subdivision 2; 181.73, subdivision 1; 216C.10; 242.39, subdivision 3; 246.56, subdivision 1; 256J.08, subdivision 52; 268.001; 268.0111, subdivision 4; 268.0122, subdivision 1; 268.29; 268.66, as amended; 268.665, as amended;

268.976, subdivision 2; 268A.01, subdivision 5; Minnesota Statutes 2003 Supplement, sections 15.01; 15.057; 15.06, subdivision 1; 15A.0815, subdivision 2; 16C.05, subdivision 3; 116J.011; 116J.401; 116J.64, subdivision 6; 116J.966, subdivision 1; 116J.980, subdivision 1; 116J.994, subdivisions 9, 10; 116L.03, subdivision 7; 116M.15, subdivision 1; 248.07, subdivision 8; 256.482, subdivision 1; 256C.233, subdivision 1; 268.014; 268.022, subdivision 1; 268.363; 462A.04, subdivisions 1, 4; Laws 2003, chapter 128, article 10, section 2, subdivisions 1, 3; proposing coding for new law in Minnesota Statutes, chapters 116J; 116L; 268A; repealing Minnesota Statutes 2002, sections 116J.036; 116J.414; 116L.04, subdivision 4; 268.0111, subdivisions 1, 2, 3a, 4a; 268.0121, subdivisions 1, 2; 268.0122, subdivisions 2, 5, 6; 268.027; 268.028; 268.029; 268.26, subdivisions 2, 3; 268.361, subdivision 3; 268.3661; 268.551; 268.552; 268.56, subdivision 2; 268.561, subdivision 10; 268.61, subdivision 2; 268.65, subdivisions 1, 3, 4, 5; 268.666, subdivision 5; 268.89; 268.918; 268.95; Minnesota Statutes 2003 Supplement, sections 268.0122, subdivision 3; 268.26, subdivision 1; 268.65, subdivision 2; 268.95, subdivision 4; 268.976, subdivision 1; Laws 2001, chapter 175, section 49; Minnesota Rules, parts 3300.0050; 3301.0180; 3301.0190; 3301.0200; 3301.0210; 3301.0220; 3301.0230; 3310.2903; 3310.2904; 3310.2905, subpart 1; 3310.2906; 3310.2907; 3310.2909; 3310.2918; 3315.0100; 3315.0202; 3315.0501, subparts 3, 4, 5; 3315.0510; 3315.0530, subpart 1; 3315.0535; 3315.0545; 3315.0555, subpart 5; 3315.0915; 3315.0920; 3315.1005, subpart 2; 3315.1015; 3315.1301, subparts 3, 6; 3315.1305; 3315.1310; 3315.1650, subpart 1; 3315.2410; 3315.2610; 3315.2750; 3315.2810, subparts 1, 3; 3315.3220, subpart 4; 3320.0010; 3320.0020; 3320.0030; 7380.0200; 7380.0210; 7380.0220; 7380.0230; 7380.0240; 7380.0500; 7380.0510; 7380.0520; 7380.0530; 7380.0540; 7380.0550; 7380.0560; 7380.0570; 7380.0580; 7380.0581; 7380.0582; 7380.0600; 7380.0610; 7380.0620; 7380.0630; 7380.0640; 7380.0650; 7380.0800; 7380.0810; 7380.0820; 7380.0830; 7380.0840.

Reported the same back with the following amendments:

Pages 40 and 41, delete sections 56 and 57

Page 44, line 21, delete "59" and insert "57"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 26, delete "Laws 2003,"

Page 1, delete line 27

With the recommendation that when so amended the bill pass.

The report was adopted.

Seagren from the Committee on Education Finance to which was referred:

H. F. No. 2467, A bill for an act relating to natural resources; providing for evaluation of construction aggregate located on state trust lands; appropriating money; amending Minnesota Statutes 2002, section 16A.125, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 11, delete "annually" and after "appropriated" insert "in fiscal year 2005"

Page 1, line 17, delete "spent" and insert "October 30, 2005"

Page 1, after line 17, insert:

"This program has a budget base of \$50,000 for fiscal years 2006 and 2007 only."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Ozment from the Committee on Environment and Natural Resources Finance to which was referred:

H. F. No. 2678, A bill for an act relating to natural resources; modifying provisions for the operation of off-highway vehicles; providing an exemption from rulemaking; providing for an off-highway vehicle grant program; modifying decal requirements for off-highway motorcycles; modifying all-terrain vehicle provisions; providing for certain class fees; modifying provisions for reviewing forest classification status; requiring determination of unrefunded gas tax attributable to all-terrain vehicle use; requiring a report; appropriating money; amending Minnesota Statutes 2002, sections 84.798, subdivision 1; 84.925, subdivision 1; 84.9256, subdivision 1; 84.9257; 84.928, subdivisions 2, 6; 89.19; Minnesota Statutes 2003 Supplement, sections 84.773; 84.777; 84.788, subdivision 3; 84.92, subdivision 8; 84.926; Laws 2003, chapter 128, article 1, section 167, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 84; repealing Minnesota Statutes 2003 Supplement, section 84.901.

Reported the same back with the following amendments:

Page 4, after line 18, insert:

"Sec. 4. [84.786] [VOLUNTEERS.]

An individual who volunteers their services in aid of activities on the state off-highway vehicle trail system is considered a state volunteer for the purposes of section 84.089."

Page 12, after line 21, insert:

"(b) Each state forest deemed capable of sustaining off-highway vehicle use may contain all-terrain vehicle, off-highway motorcycle, and off-road vehicle trails.

(c) The off-road vehicle trails in state forests may provide levels of difficulty, to include:

(1) easy riding trails requiring limited driver skill that are passable with a stock vehicle, comprising ten percent of total off-road vehicle trails;

(2) moderate riding trails requiring some driver skill and machine modification, comprising 80 percent of total off-road vehicle trails; and

(3) technical riding trails requiring a high degree of driver skill and machine modifications, comprising ten percent of total off-road vehicle trails.

(d) Definitions and specifications for the three categories of trails in paragraph (c) must follow the United States Forest Service Trails Management Handbook, FSH2309-18, Four Wheel Driveway Guide, and subsequent updates."

Page 12, line 22, strike "(b)" and insert "(e)"

Page 12, line 30, strike "(c)" and insert "(f)"

Page 13, line 7, delete "\$....." and insert "(a) \$100,000"

Page 13, line 10, delete "\$....." and insert "\$5,000"

Page 13, line 11, delete "\$....." and insert "\$20,000"

Page 13, line 12, delete "\$....." and insert "\$75,000" and after the period, insert:

"(b) \$50,000 is appropriated from the all-terrain vehicle account in the natural resources fund for the study required in section 16. This is a onetime appropriation."

Renumber the sections in sequence

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Ozment from the Committee on Environment and Natural Resources Finance to which was referred:

H. F. No. 2767, A bill for an act relating to water; appropriating money for water and soil resource management.

Reported the same back with the following amendments:

Page 1, line 11, after "groundwater" insert "in accordance with current Minnesota Rules" and delete "critical" and delete "consider"

Page 1, line 12, delete "social sensitivity criteria relative to" and insert "implement the University of Minnesota odor offset model for"

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means without further recommendation.

The report was adopted.

Seagren from the Committee on Education Finance to which was referred:

H. F. No. 2832, A bill for an act relating to education; requiring school and library computers with Internet access available for student use to be equipped with software filtering or blocking technology; imposing a financial penalty; amending Minnesota Statutes 2002, sections 125B.15; 134.50.

Reported the same back with the following amendments:

Page 2, line 3, delete "conducting bona fide"

Page 2, line 4, delete "research or pursuing another lawful purpose" and delete "must" and insert "may"

Page 2, line 5, delete "without significant delay and without"

Page 2, line 6, delete "requiring the adult to explain the request" and insert "for bona fide research or other lawful purpose"

Page 2, after line 23, insert:

"(f) To ensure that state funds are not withheld under paragraph (e), a school district must send an electronic notice to the department indicating those school sites within the district that have equipped their computers with software filtering or blocking technology, consistent with this section. A district must immediately transmit to the department any additional information related to school sites' compliance with this section."

Page 2, lines 24 and 25, delete "for the 2004-2005 school year and later" and insert "January 1, 2005"

Page 3, after line 34, insert:

"(f) To ensure that state funds are not withheld under paragraph (e), a public library system must send an electronic notice to the education department indicating that the public libraries within the system have equipped their computers with software filtering or blocking technology, consistent with this section. A public library system must immediately transmit to the department any additional information related to public libraries' compliance with this section."

Page 3, line 35, delete "July 1, 2004" and insert "January 1, 2005"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Ozment from the Committee on Environment and Natural Resources Finance to which was referred:

H. F. No. 2928, A bill for an act relating to game and fish; modifying annual payments to counties for game refuges; amending Minnesota Statutes 2002, section 97A.061, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Dempsey from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 3089, A bill for an act relating to state and local government operations; establishing a metropolitan stadium authority; providing for the membership and powers of the authority; proposing coding for new law in Minnesota Statutes, chapter 473.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [473.75] [PURPOSE.]

Subdivision 1. [PROCESS FOR NEW STADIUMS.] The purpose of this act is to provide a process to result in the location, construction, financing, and long-term use of two new stadiums primarily for the use of the Minnesota Twins and the Minnesota Vikings.

Subd. 2. [LOCATION.] (a) The stadiums must be located in the metropolitan area as defined in section 473.121, subdivision 2.

(b) Both stadiums may, but need not be, located in the same city or county.

(c) A city and its county may cooperate to host one or both stadiums under a joint powers agreement under section 471.59 or as otherwise provided by law.

Subd. 3. [MINNESOTA STADIUM AUTHORITY.] (a) To achieve the purposes of this act, the Minnesota Stadium Authority is established to independently choose sites for the two stadiums from proposals submitted by the franchise owners and their proposed host communities. The authority may consider or propose other arrangements for sites and terms if the authority is not satisfied with proposals submitted by the franchise owners and their proposed host cities. The authority's determination of sites for the two stadiums is final. The authority must set an ample time frame for site selection, negotiations, and construction of the two stadiums. The authority must have title to all land and air rights needed for construction and operation of the stadium facilities. The authority may enter into contracts for and take all actions necessary or desirable to site, design, construct, furnish, equip, and provide for the operation, maintenance, and improvement of stadium facilities and anything incident to their enumerated potential actions. On completion of the construction of the second stadium, the authority must recommend to the legislature and the governor, a reconstituted authority to oversee the ongoing maintenance and operation and improvements of the stadiums to ensure that those public entities that provide substantial financial support receive appropriate representation. The authority must also recommend to the legislature and the governor a proposed disposition of the Metrodome facility and of the Metropolitan Sports Facilities Commission and of its financial reserves, if any.

(b) The authority must consider and make recommendations with regard to alternative proposals for the continuation of professional baseball and football in Minnesota. Such proposals may include, but are not limited to, full private financing of stadium facilities and community ownership of professional sports franchises.

Sec. 2. [473.751] [MINNESOTA STADIUM AUTHORITY.]

Subdivision 1. [COMPOSITION.] (a) The Minnesota Stadium Authority consists of:

(1) six members, appointed by the governor; and

(2) a chair appointed by the governor.

(b) All members, including the chair, serve at the pleasure of the governor.

Subd. 2. [CHAIR.] The chair shall preside at all meetings of the commission, if present, and shall perform all other assigned duties and functions. The commission may appoint from among its members a vice-chair to act for the chair during the temporary absence or disability of the chair.

Sec. 3. [473.752] [POWERS OF AUTHORITY.]

Subdivision 1. [GENERAL.] The authority has all powers necessary or convenient to discharge the duties imposed by law, including but not limited to those specified in this section.

Subd. 2. [ACTIONS.] The authority may sue and be sued, and is a public body within the meaning of chapter 562.

Subd. 3. [ACQUISITION OF PROPERTY.] The authority may acquire by lease, purchase, gift, or devise all necessary right, title, and interest in and to real or personal property deemed necessary to the purposes contemplated by this act.

Subd. 4. [EXEMPTION OF PROPERTY.] Any real or personal property acquired, owned, leased, controlled, used, or occupied by the authority for any of the purposes of this act is declared to be acquired, owned, leased, controlled, used, and occupied for public, governmental, and municipal purposes, and is exempt from ad valorem taxation by the state or any political subdivision of the state. But the properties are subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from the improvement. No possible use of any of the properties in any manner different from their use under this act at the time may be considered in determining the special benefit received by the properties. All assessments are subject to final confirmation by the Metropolitan Council, whose determination of the benefits is conclusive upon the political subdivision levying the assessment. Notwithstanding section 272.01, subdivision 2, or 273.19, real or personal property leased by the authority to another person for uses related to the purposes of this act, including the operation of the two stadium facilities, is exempt from taxation regardless of the length of the lease. This subdivision, insofar as it requires exemption or special treatment, does not apply to any real property that is leased by the authority for residential, business, or commercial development or other purposes different from those contemplated in this act.

Subd. 5. [FACILITY OPERATION.] The authority may equip, improve, operate, manage, maintain, and control the sports facilities constructed, remodeled, or acquired under this act.

Subd. 6. [DISPOSITION OF PROPERTY.] The authority may sell, lease, or otherwise dispose of any real or personal property acquired by it which is no longer required for accomplishment of its purposes. The property must be sold in accordance with the procedures provided by section 469.065, insofar as practical and consistent with this act.

Subd. 7. [EMPLOYEES; CONTRACTS FOR SERVICES.] The authority may employ persons and contract for services necessary to carry out its functions. The authority may employ on such terms as it deems advisable persons or firms to provide traffic officers to direct traffic on property under the control of the authority and on the city streets in the general area of the property controlled by the authority. The traffic officers are not peace officers and do not have authority to make arrests for violations of traffic rules.

Subd. 8. [GIFTS AND GRANTS.] The authority may accept gifts of money, property, or services, may apply for and accept grants or loans of money or other property from the United States, the state, any subdivision of the state, or any person for any of its purposes, may enter into any agreement required in connection therewith, and may hold, use, and dispose of such money, property, or services according to the terms of the gift, grant, loan, or agreement. In evaluating proposed gifts, grants, loans, and agreements required in connection therewith, the council shall examine the possible short-range and long-range impact on authority revenues and authority operating expenditures.

Subd. 9. [RESEARCH.] The authority may conduct research studies and programs, collect and analyze data, prepare reports, maps, charts, and tables, and conduct all necessary hearings and investigations in connection with its functions.

Subd. 10. [USE AGREEMENTS.] The authority may lease, license, or enter into agreements and may fix, alter, charge, and collect rentals, fees, and charges to all persons for the use, occupation, and availability of part or all of any premises, property, or facilities under its ownership, operation, or control for purposes that will provide athletic, educational, cultural, commercial or other entertainment, instruction, or activity for the citizens of the metropolitan area and visitors. Any such use agreement may provide that the other contracting party has exclusive use of the premises at the times agreed upon.

Subd. 11. [INSURANCE.] The authority may require any employee to obtain and file with it an individual bond or fidelity insurance policy. It may procure insurance in the amounts it considers necessary against liability of the authority or its officers and employees for personal injury or death and property damage or destruction, with the force and effect stated in chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property.

Subd. 12. [CREATING A CONDOMINIUM.] The authority may, by itself or together with any other entity, as to real or personal property comprising or appurtenant or ancillary to the sports facilities operated under this act or other law, act as a declarant and establish a condominium or leasehold condominium under chapter 515A, or a common interest community or leasehold common interest community under chapter 515B, and may grant, establish, create, or join in other or related easements, agreements and similar benefits and burdens that the authority may consider necessary or appropriate, and exercise any and all rights and privileges and assume obligations under them as a declarant, unit owner or otherwise, insofar as practical and consistent with this act. The authority may be a member of an association and the chair, any commissioners and any officers and employees of the authority may serve on the board of an association under chapter 515A or 515B or other law.

Subd. 13. [EXEMPTION FROM COUNCIL REVIEW.] The acquisition and betterment of sports facilities by the authority must be conducted pursuant to this act and must not be affected by the provisions of sections 473.165 and 473.173.

Sec. 4. [473.753] [CRITERIA AND CONDITIONS.]

Subdivision 1. [BINDING AND ENFORCEABLE.] In setting parameters and making decisions necessary to complete the stadium process, the authority must follow and enforce the criteria and conditions in subdivisions 2 to 19.

Subd. 2. [TOTAL PUBLIC INVESTMENT TOWARD PROJECT COSTS.] The authority must set a total public investment maximum toward project costs for each stadium, including the host site's government's revenue contributions.

Subd. 3. [TEAM AND FAN CONTRIBUTIONS.] (a) The authority must set the amount of anticipated contributions from each team towards the total cost for its stadium. Team contributions may include, but are not limited to, up-front cash contributions, guaranteed annual payments, assignments of naming rights and permanent seat licenses, and payments of operating and maintenance expenses for the team's stadium. Each team's contribution must be no less than one third of its team's stadium's project costs. The authority may attempt to structure each team's investment to maximize benefits both to the public and to the teams. In addition to any other team contribution, each team must assume and pay when due all cost overruns for its stadium.

(b) The authority may negotiate to receive, for pass-through to the Metropolitan Council, fan contributions imposed, assessed, and collected by the authority and the host communities for deposit in the stadiums' debt service account. Fan contributions may include ticket taxes, parking surcharges, personal seat licenses, private placement bonds, sports cable television surcharges, commemorative stadium stock or bricks, team license plates, and the like.

(c) The team and fan contributions must be deposited in the state treasury and are appropriated to the Metropolitan Council for payment of principal and interest on the revenue bonds issued under this act and chapter 475.

Subd. 4. [RESERVE FOR CAPITAL IMPROVEMENTS.] The authority may require that a reserve fund for capital improvements to the stadium be set up and may require the teams and the host communities' governments to contribute to the fund in a manner and on the terms the authority determines.

Subd. 5. [LEASE OR USE AGREEMENTS.] The authority must negotiate long-term lease or use agreements with each team for its use of one of the stadiums. Each team must schedule and play all regular season and postseason home games at its stadium. Preseason games may also be scheduled and played at the stadium. The lease or use agreements must be for a term of the lesser of 30 years or until the last of the bonds issued to fund the stadium are retired or defeased. The lease must include terms for default, termination, and breach of the facility lease. The leases must require specific performance and must not include escape clauses or buyout provisions.

Subd. 6. [GUARANTEE OF PAYMENT OF ALL OBLIGATIONS.] The authority must ensure that a guarantee of payment of each obligation due under the lease or use agreement is in place at the time of execution of the obligation in a form satisfactory to the authority. The guarantee may be in the form of a letter of credit, personal guarantees, or other surety as determined by the authority.

Subd. 7. [TITLE TO ALL LAND AND AIR RIGHTS.] The authority must have title to all land and air rights needed for construction and operation of the facilities.

Subd. 8. [ENFORCEABLE FINANCIAL COMMITMENTS.] The Metropolitan Stadium Authority must determine before construction begins that all public and private funding sources for construction and operation of each stadium are officially committed in writing and enforceable. The committed funds must be adequate to site, design, construct, furnish, equip, and service the facilities' debt, as well as to pay for the ongoing operation and maintenance of the respective baseball and football facilities.

Subd. 9. [ENVIRONMENTAL REQUIREMENTS.] The authority must ensure that environmental requirements imposed by appropriate regulatory agencies for each stadium, site, and structure are complied with.

Subd. 10. [PUBLIC INFRASTRUCTURE.] The authority must ensure that all necessary and reasonably appropriate public infrastructure is financed and constructed by the time of completion of the respective baseball and football facilities.

Subd. 11. [PRICE, COMPLETION DATE, PERFORMANCE, PAYMENT BONDS.] Before construction begins, the authority must have executed contracts in hand certifying construction price and completion date that include performance and payment bonds that cover any costs over the certified price for the facility contracted for.

Subd. 12. [PUBLIC SHARE OF VALUE ADDED BY STADIUM UPON SALE.] The authority must seek a provision in the lease or use agreements that provides that if a franchise is sold during the term of the agreement, then any portion of the sale price that is attributable to development of the stadium used by the franchise's team with public money must be returned to the public for deposit in a reserve fund for improvements to the stadium.

Subd. 13. [FINANCE COMMISSIONER APPROVAL.] The authority must transmit the financing documents and lease or use agreement to the commissioner of finance and the commissioner of finance must approve the financing document and the lease or use agreements before the issuance of any bonds to finance the construction of the stadiums.

Subd. 14. [USE FOR AMATEUR SPORTS.] The authority must ensure that the lease or use agreements for the stadiums provide for a reasonable amount of use for amateur sports.

Subd. 15. [AFFORDABLE ACCESS.] The authority must ensure that the lease or use agreements provide for affordable access to the respective professional sporting events held in these facilities.

Subd. 16. [ATTENDANCE INCENTIVES.] The authority may negotiate a provision in the lease or use agreements that provide incentives for the teams to increase attendance at their sporting events.

Subd. 17. [SELLOUT SPONSOR IF POSSIBLE.] The authority must make reasonable efforts to seek a sponsoring organization to purchase all football game tickets not sold shortly before a home game.

Subd. 18. [USE OF BOND PROCEEDS.] The authority must ensure and confirm to the Metropolitan Council that all bond proceeds from bonds authorized by this act must be used to site, design, construct, or furnish the facilities.

Subd. 19. [NO STRIKES.] The authority must negotiate an agreement to prevent strikes that would halt, delay, or impede construction of the respective baseball and football facilities.

Sec. 5. [473.754] [LOCAL TAXES.]

A local government that is a host community to a stadium may impose a ticket tax; a tax on restaurants, places of amusement, alcoholic beverages, or prepared food; or a tax on lodging; or any of them; a tax on sports memorabilia sold within the stadium facilities; or may add to a general sales and use tax on goods and services within its jurisdiction notwithstanding section 477A.016 if approved by the authority and subject to subsequent enactment of a law complying with section 297A.99; all to provide local government revenues to finance a stadium project under this act.

Sec. 6. [473.755] [LOCAL TAX INCREMENT FINANCING; DEVELOPMENT RIGHTS.]

A local unit of government that is a host community for a stadium may use local tax increment financing or sale of development rights as otherwise provided by law to help complete the stadium project.

Sec. 7. [473.756] [STADIUM TAX INCREMENT COMPUTATION.]

(a) The authority may negotiate with the teams for the capture of stadium tax increments as provided in this section.

(b) For any year during which major league baseball or National Football League games are played in one or the other new stadium, the commissioner of revenue may, by March 1 of each year, certify the amount of stadium taxes collected in the previous calendar year and the amount by which those taxes are in excess of a baseline tax amount. A negotiated amount, no greater than the amount of stadium taxes that are certified by the commissioner as being in excess of the baseline tax amount must be deposited in a debt service account in the state treasury and is appropriated each year to the Metropolitan Council to pay principal and interest on revenue bonds issued for each of the new stadiums. Any stadium taxes in excess of the negotiated amount must be deposited in the state's general fund.

(c) For baseball, the stadium taxes are the taxes collected for events at the new baseball stadium. Each year baseball stadium taxes equal the sum of (1) the withholding taxes due in a calendar year pursuant to section 290.92 by major league baseball teams, and (2) the sales tax on ticket sales for admission to baseball-related events at the baseball stadium and sales tax remitted by vendors and concessionaires for sales at baseball-related events occurring at the baseball stadium in a calendar year. For baseball, the baseline tax amount is the average annual amount of stadium taxes as determined in this paragraph for baseball games or related events held in the Metrodome in the three calendar years before the opening of the new stadium. The sales tax for baseball-related events occurring at the baseball stadium must be reported in the manner prescribed by the commissioner of revenue.

(d) For football, the stadium taxes are the taxes collected at the designated football stadium district. Each year, football stadium taxes equal the sum of (1) the withholding taxes due in a calendar year pursuant to section 290.92 by National Football League teams, and (2) the sales tax on ticket sales for admission to football-related events at the football stadium and sales tax remitted by vendors and concessionaires for sales at football-related events occurring at the football stadium in a calendar year. For football, the baseline tax amount is the average amount of stadium taxes as determined in this paragraph for football games or related events held in the Metrodome in the three calendar-year period before opening of the new stadium. The sales tax for football-related events occurring at the football stadium must be reported in the manner prescribed by the commissioner of revenue.

(e) In the event that the excess stadium tax revenue is less than the negotiated amount, the team shall pay the amount of the deficiency.

Sec. 8. [473.557] [SECURITY.]

Subdivision 1. [BONDS.] The Metropolitan Council, on behalf of the Minnesota Stadium Authority, may by resolution authorize the sale and issuance of its bonds for any or all of the following purposes:

(1) to provide funds to predesign, design, construct, furnish, equip, and otherwise better the sports facilities owned or to be owned by the authority pursuant to this act;

(2) to refund bonds issued hereunder; and

(3) to fund judgments entered by any court against the authority or against the council in matters relating to the authority's functions related to the sports facilities.

Subd. 2. [PROCEDURE.] The bonds shall be sold, issued, and secured in the manner provided in chapter 475, for bonds payable solely from revenues, except as otherwise provided in this act, and the council shall have the same powers and duties as a municipality and its governing body in issuing bonds under that chapter. The bonds may be sold at any price and at public or private sale as determined by the council. They shall be payable solely from tax and other revenues referred to in this act. The bonds shall not be a general obligation or debt of the council or of the authority, and shall not be included in the net debt of any city, county, or other subdivision of the state for the purpose of any net debt limitation. No election shall be required.

Subd. 3. [LIMITATIONS.] The principal amount of the bonds issued pursuant to subdivision 1, clause (1), shall not exceed the amounts hereinafter authorized. If the authority's proposal and the construction contracts referred to in this act provide for the construction of two major league sports stadiums as provided in this act, the principal amount of bonds issued pursuant to subdivision 1, clause (1), shall be limited to \$..... The council shall issue its bonds and construction of sports facilities may commence when the council has made the determinations in this subdivision. The bonds may be issued separately for each stadium or in other segments as necessary or desirable to accomplish the projects. Bonds may be issued for only one stadium facility after one stadium project is agreed to by the parties involved so long as the amount of bonds issued does not exceed the cost of the project for which they are issued. Bonds for the second stadium project may be issued when and if agreement is reached as to the second stadium project.

(a) The authority has executed long-term lease or use agreements with each team for its use of one of the stadiums. Each team must schedule and play all regular season and postseason home games at its stadium. Preseason games may also be scheduled and played at the stadium. The lease or use agreements must be for a term of the lesser of 30 years or until the last of the bonds issued to fund the stadium are retired or defeased. The lease must include terms for default, termination, and breach of the facility lease. The leases must require specific performance and must not include escape clauses or buyout provisions.

(b) The authority has executed agreements with professional baseball and football major leagues which guarantee the continuance of franchises in the metropolitan area for the period of the agreements referred to in paragraph (a).

(c) The proceeds of bonds provided for in this subdivision will be sufficient, together with other capital funds that may be available to the authority for expenditures on the sports facilities, to carry out the projects for which the proceeds were intended as proposed by the authority, including the appropriate professional fees and charges but excluding, except as otherwise provided in this subdivision, the acquisition, clearance, relocation, and legal costs referred to in paragraphs (d) and (e).

(d) The authority has acquired, without cost to the authority or the council except as provided in this subdivision, title to all real property including all easements and other appurtenances needed for the construction and operation of the stadium facilities or has received a grant of funds or has entered into agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to make any payment upon which the authority's acquisition of title and possession of the real property is conditioned.

(e) The authority has received a grant of funds or entered into agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to pay all costs, except as provided in this subdivision, of clearing the real property needed for the construction and operation of all sports facilities, railroad tracks and other structures, including, without limitation, all relocation costs, all utility relocation costs, and all legal costs.

(f) The authority has executed agreements to prevent strikes that would halt, delay, or impede construction of the respective baseball and football facilities.

(g) The authority has executed agreements which will provide for the construction of the sports facilities for a certified construction price and completion date and which include performance bonds in an amount at least equal to 100 percent of the certified price to cover any costs which may be incurred over and above the certified price, including but not limited to costs incurred by the authority or loss of revenues resulting from incomplete construction on the completion date.

(h) The anticipated revenue from the operation of the sports facilities plus any additional available revenue of the authority will be an amount sufficient to pay when due all debt service plus all administration, operating and maintenance expense.

(i) The validity of any bonds issued under subdivision 1, clause (a), and the obligations of the council and authority related to them, shall not be conditioned upon or impaired by the council's determinations made pursuant to this subdivision. For purposes of issuing the bonds the determinations made by the council shall be deemed conclusive, and the council shall be and remain obligated for the security and payment of the bonds irrespective of determinations which may be erroneous, inaccurate, or otherwise mistaken.

Subd. 4. [SECURITY.] To the extent and in the manner provided in this act, the taxes described in this act, the tax and other revenues of the authority described in this act, and any other revenues of the authority attributable to the sports facilities, including team and local host's communities contributions, shall be and remain pledged and

appropriated to the authority or to the Metropolitan Council, as appropriate for the payment of all necessary and reasonable expenses of the operation, administration, maintenance, and debt service of the sports facilities until all bonds and certificates issued pursuant to this section are fully paid or discharged in accordance with law. Bonds issued pursuant to this section may be secured by a bond resolution, or by a trust indenture entered into by the council with a corporate trustee within or outside the state, which shall define the tax, team and fan contributions, and other sports facility revenues pledged for the payment and security of the bonds. The pledge shall be a valid charge on the tax and other revenues referred to in this act from the date when bonds are first issued or secured under the resolution or indenture and shall secure the payment of principal and interest and redemption premiums when due and the maintenance at all times of a reserve securing such payments. No mortgage of or security interest in any tangible real or personal property shall be granted to the bondholders or the trustee, but they shall have a valid security interest in all tax and other revenues received and accounts receivable by the authority or council hereunder, as against the claims of all other persons in tort, contract, or otherwise, irrespective of whether such parties have notice thereof, and without possession or filing as provided in the Uniform Commercial Code or any other law. In the bond resolution or trust indenture the council may make such covenants, which shall be binding upon the authority, as are determined to be usual and reasonably necessary for the protection of the bondholders. No pledge, mortgage, covenant, or agreement securing bonds may be impaired, revoked, or amended by law or by action of the council, authority, site city or county, except in accordance with the terms of the resolution or indenture under which the bonds are issued, until the obligations of the council thereunder are fully discharged.

Subd. 5. [CONDITIONAL ARBITRAGED ENDOWMENT ACCOUNT.] (a) If, as a part of a negotiated agreement with a team and its host local communities, the option to use an arbitrage model to raise revenue is agreed to under this act, the authority, with the approval of the commissioner of finance may issue up to \$..... of revenue bonds for this purpose. The proceeds of the bonds must be deposited in an endowment account to be invested as provided in paragraphs (b) and (c) after the amount necessary to pay when due the debt service on the bonds issued under this section is deposited in a debt service account. The balance on hand in the endowment account after all the bonds issued under this section have been retired or defeased may be used for retiring of the debt incurred for stadium purposes under this act, for stadium improvements, or for other stadium-related purposes as agreed to by the parties. Other revenue from gifts or grants for those purposes, or as otherwise authorized by law, may be deposited in the endowment fund for investment and disposition as provided in this section.

(b) The State Board of Investment shall contract with the investment advisors specified by the team to invest money in the endowment account. The account must be invested in authorized investments under section 11A.24, except (1) corporate obligations described in section 11A.24, subdivision 3, paragraph (b), and (2) investments described in section 11A.24, subdivision 6, paragraph (a), clauses (1) to (4).

(c) The commissioner of finance shall review the investment performance of the account at the end of the second year after each stadium begins operations and every four years thereafter. The commissioner shall require the authority as owner of the stadium to impose a surcharge on admissions to events at the stadium in one-half of one percent increments, not to exceed five percent, in an amount sufficient to equal the money that would be in the fund, if an 8.5 percent annual rate of return had been earned. Notwithstanding the preceding sentence, the commissioner shall set the required rate of return for the first four years after the account is established. If the rate of return on the fund during the period exceeded 8.5 percent, the commissioner may use the excess to retire or defease the Metropolitan Council's bonds for the stadium issued as authorized in this act.

Subd. 6. [NO FULL FAITH AND CREDIT.] Any bonds or other obligations issued by the council under this act are not public debt of the state, and the full faith and credit and taxing powers of the state are not pledged for their payment or of any payments that the state agrees to make under this act.

Subd. 7. [AUTHORITY NOT AFFECTED BY TAXABILITY OF INTEREST.] The bonds authorized by this act may be issued without regard to whether the interest to be paid on them is gross income for federal tax purposes.

Sec. 9. [473.558] [NEGOTIATION DEADLINE.]

The authority to negotiate and enter into agreements with the teams and host communities under this act expires December 31, 2004, for baseball and December 31, 2006, for football.

Sec. 10. [REPEALER.]

Minnesota Statutes 2002, sections 473I.01; 473I.02; 473I.03; 473I.04; 473I.05; 473I.06; 473I.07; 473I.08; 473I.09; 473I.10; 473I.11; 473I.12; and 473I.13, are repealed."

Delete the title and insert:

"A bill for an act relating to sports stadiums; providing for a process to build stadiums for the use of the Minnesota Twins and the Minnesota Vikings; establishing the Minnesota Stadium Authority; authorizing revenue bonds; authorizing certain local tax and revenues in certain communities; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 2002, sections 473I.01; 473I.02; 473I.03; 473I.04; 473I.05; 473I.06; 473I.07; 473I.08; 473I.09; 473I.10; 473I.11; 473I.12; 473I.13."

With the recommendation that when so amended the bill be re-referred to the Committee on Governmental Operations and Veterans Affairs Policy without further recommendation.

The report was adopted.

Dempsey from the Committee on Local Government and Metropolitan Affairs to which was referred:

S. F. No. 2386, A bill for an act relating to economic development; providing a bidding exception for certain federally subsidized transit facilities; amending Minnesota Statutes 2002, section 469.015, subdivision 4.

Reported the same back without recommendation.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 2334 and 2386 were read for the second time.

## **SECOND READING OF SENATE BILLS**

S. F. Nos. 1604, 1671, 1958, 2300 and 2386 were read for the second time.

**INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Dempsey; Olson, M.; Koenen and Rukavina introduced:

H. F. No. 3126, A bill for an act relating to taxation; eliminating the property tax exemption for pollution control equipment that is part of an electric utility system; amending Minnesota Statutes 2002, section 272.02, subdivisions 10, 41.

The bill was read for the first time and referred to the Committee on Taxes.

Dempsey; Olson, M.; Koenen and Rukavina introduced:

H. F. No. 3127, A bill for an act relating to taxation; increasing class rates that apply to real and personal property of electric utilities; amending Minnesota Statutes 2002, section 273.13, subdivision 24.

The bill was read for the first time and referred to the Committee on Taxes.

Nelson, C., introduced:

H. F. No. 3128, A bill for an act relating to tax increment financing; authorizing uses of revenues from certain pre-1979 districts; amending Minnesota Statutes 2003 Supplement, section 469.176, subdivision 1c.

The bill was read for the first time and referred to the Committee on Taxes.

Magnus introduced:

H. F. No. 3129, A bill for an act relating to taxation; wind production tax; changing the due date for the wind energy reports; providing that the tax distribution is based on the previous year's local tax rates; allowing certain township levies to be adjusted for production tax in 2004; amending Minnesota Statutes 2002, section 272.029, subdivisions 4, 6.

The bill was read for the first time and referred to the Committee on Taxes.

Hackbarth introduced:

H. F. No. 3130, A bill for an act relating to natural resources; modifying restrictions on turtle seller's licenses; amending Minnesota Statutes 2002, section 97C.605, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy.

Opatz introduced:

H. F. No. 3131, A bill for an act proposing an amendment to the Minnesota Constitution, article VII, section 6; proposing lowering the age of eligibility to hold office.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs Policy.

Kahn, Hilty, Carlson, Hausman and Hornstein introduced:

H. F. No. 3132, A bill for an act relating to health; establishing state policy for stem cell research; providing criminal penalties; proposing coding for new law in Minnesota Statutes, chapters 137; 145.

The bill was read for the first time and referred to the Committee on Health and Human Services Policy.

Gunther and Sertich introduced:

H. F. No. 3133, A bill for an act relating to employment and economic development; appropriating money for a statewide demonstration project of youth job skills development.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance.

Kahn, Wagenius, Hilty, Carlson, Hausman and Hornstein introduced:

H. F. No. 3134, A bill for an act relating to water; prohibiting sale of public water works to private entity.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy.

#### REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Paulsen from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day for today:

H. F. No. 2798; S. F. No. 2063; H. F. Nos. 1851, 2671, 2419 and 1071; and S. F. No. 1958.

#### CALENDAR FOR THE DAY

H. F. No. 2798 was reported to the House.

H. F. No. 2798 was read for the third time.

## CALL OF THE HOUSE

On the motion of Seifert and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abeler	Demmer	Hilty	Lenczewski	Otremba	Soderstrom
Abrams	Dempsey	Holberg	Lesch	Otto	Solberg
Adolphson	Dill	Hoppe	Lieder	Ozment	Stang
Anderson, B.	Dorman	Hornstein	Lindgren	Paulsen	Swenson
Anderson, I.	Dorn	Howes	Lindner	Paymar	Sykora
Anderson, J.	Eastlund	Huntley	Lipman	Pelowski	Thao
Atkins	Eken	Jacobson	Magnus	Penas	Thissen
Beard	Ellison	Jaros	Mahoney	Peterson	Tingelstad
Bernardy	Entenza	Johnson, J.	Mariani	Powell	Urdahl
Blaine	Erhardt	Johnson, S.	Marquart	Pugh	Wagenius
Borrell	Erickson	Juhnke	McNamara	Rhodes	Walker
Boudreau	Finstad	Kahn	Mullery	Rukavina	Walz
Bradley	Fuller	Kelliher	Murphy	Ruth	Wardlow
Brod	Gerlach	Klinzing	Nelson, C.	Samuelson	Wasiluk
Buesgens	Goodwin	Knoblach	Nelson, M.	Seagren	Westerberg
Carlson	Greiling	Koenen	Nelson, P.	Seifert	Westrom
Clark	Gunther	Kohls	Newman	Sertich	Wilkin
Cornish	Haas	Krinkie	Nornes	Severson	Zellers
Cox	Hackbarth	Kuisle	Olsen, S.	Sieben	Spk. Sviggum
Davids	Hausman	Lanning	Olson, M.	Simpson	
Davnie	Heidgerken	Larson	Opatz	Slawik	
DeLaForest	Hilstrom	Latz	Osterman	Smith	

Paulsen moved that further proceedings of the roll call be suspended and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The Speaker called Boudreau to the Chair.

H. F. No. 2798, A bill for an act proposing an amendment to the Minnesota Constitution by adding a section to article XIII; recognizing as marriage only a union between one man and one woman.

The bill was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 88 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Abeler	Brod	Eken	Hoppe	Kuisle	McNamara
Abrams	Buesgens	Erickson	Howes	Lanning	Nelson, C.
Adolphson	Cornish	Finstad	Jacobson	Larson	Nelson, P.
Anderson, B.	Davids	Fuller	Johnson, J.	Lenczewski	Newman
Anderson, J.	DeLaForest	Gerlach	Juhnke	Lieder	Nornes
Beard	Demmer	Gunther	Klinzing	Lindgren	Olsen, S.
Blaine	Dempsey	Haas	Knoblach	Lindner	Olson, M.
Borrell	Dill	Hackbarth	Koenen	Lipman	Osterman
Boudreau	Dorman	Heidgerken	Kohls	Magnus	Otremba
Bradley	Eastlund	Holberg	Krinkie	Marquart	Otto

Ozment	Powell	Severson	Swenson	Walz	Wilkin
Paulsen	Ruth	Simpson	Sykora	Wardlow	Zellers
Pelowski	Samuelson	Smith	Tingelstad	Wasiluk	Spk. Sviggum
Penas	Seagren	Soderstrom	Urdahl	Westerberg	
Peterson	Seifert	Stang	Vanderveer	Westrom	

Those who voted in the negative were:

Anderson, I.	Dorn	Hilstrom	Kelliher	Nelson, M.	Sieben
Atkins	Ellison	Hilty	Latz	Opatz	Slawik
Bernardy	Entenza	Hornstein	Lesch	Paymar	Solberg
Carlson	Erhardt	Huntley	Mahoney	Pugh	Thao
Clark	Goodwin	Jaros	Mariani	Rhodes	Thissen
Cox	Greiling	Johnson, S.	Mullery	Rukavina	Wagenius
Davnie	Hausman	Kahn	Murphy	Sertich	Walker

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

#### CALL OF THE HOUSE LIFTED

Paulsen moved that the call of the House be suspended. The motion prevailed and it was so ordered.

H. F. No. 2270, A bill for an act relating to official publications; changing provisions for publication of public notices in newspapers; requiring a report; amending Minnesota Statutes 2002, sections 279.09; 279.092; 331A.01, subdivisions 2, 3, 6, 9, 10; 331A.02, subdivisions 1, 3, 4, by adding a subdivision; 331A.03, subdivision 1, by adding a subdivision; 331A.04, as amended; 331A.05, subdivisions 3, 4, 5, 7, by adding a subdivision; 331A.06, subdivision 3, by adding a subdivision; 331A.07; 331A.08, by adding a subdivision; 331A.09; 331A.10, subdivision 1; 331A.11, subdivisions 1, 2; 375.12, subdivision 2; 375.17, subdivision 1; 412.191, subdivision 3; 471.698, subdivision 1; repealing Minnesota Statutes 2002, sections 331A.01, subdivision 5; 331A.02, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abeler	Blaine	Cox	Eken	Greiling	Hornstein
Abrams	Borrell	Davids	Ellison	Gunther	Howes
Adolphson	Boudreau	Davnie	Entenza	Haas	Huntley
Anderson, B.	Bradley	DeLaForest	Erhardt	Hackbarth	Jacobson
Anderson, I.	Brod	Demmer	Erickson	Hausman	Jaros
Anderson, J.	Buesgens	Dill	Finstad	Heidgerken	Johnson, J.
Atkins	Carlson	Dorman	Fuller	Hilstrom	Juhnke
Beard	Clark	Dorn	Gerlach	Holberg	Kahn
Bernardy	Cornish	Eastlund	Goodwin	Hoppe	Kelliher

Klinzing	Lindgren	Nelson, P.	Pelowski	Severson	Urdahl
Knoblach	Lindner	Newman	Penas	Sieben	Vandever
Koenen	Lipman	Nornes	Peterson	Simpson	Wagenius
Kohls	Magnus	Olsen, S.	Powell	Slawik	Walker
Krinkie	Mahoney	Olson, M.	Pugh	Smith	Walz
Kuisle	Mariani	Opatz	Rhodes	Soderstrom	Wardlow
Lanning	Marquart	Osterman	Rukavina	Solberg	Wasiluk
Larson	McNamara	Otremba	Ruth	Stang	Westerberg
Latz	Mullery	Otto	Samuelson	Swenson	Westrom
Lenczewski	Murphy	Ozment	Seagren	Sykora	Wilkin
Lesch	Nelson, C.	Paulsen	Seifert	Thissen	Zellers
Lieder	Nelson, M.	Paymar	Sertich	Tingelstad	Spk. Sviggum

Those who voted in the negative were:

Hilty

The bill was passed and its title agreed to.

H. F. No. 532, A bill for an act relating to highways; modifying provisions governing use of highway right-of-way by snowmobiles; amending Minnesota Statutes 2002, section 84.87, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Hilstrom	Latz	Osterman	Smith
Abrams	Demmer	Hilty	Lenczewski	Otremba	Soderstrom
Adolphson	Dempsey	Holberg	Lesch	Otto	Solberg
Anderson, B.	Dill	Hoppe	Lieder	Ozment	Stang
Anderson, I.	Dorman	Hornstein	Lindgren	Paulsen	Swenson
Anderson, J.	Dorn	Howes	Lindner	Paymar	Sykora
Atkins	Eastlund	Huntley	Lipman	Pelowski	Thao
Beard	Eken	Jacobson	Magnus	Penas	Thissen
Bernardy	Ellison	Jaros	Mahoney	Peterson	Tingelstad
Biernat	Entenza	Johnson, J.	Mariani	Powell	Urdahl
Blaine	Erhardt	Johnson, S.	Marquart	Pugh	Vandever
Borrell	Erickson	Juhnke	McNamara	Rhodes	Wagenius
Boudreau	Finstad	Kahn	Mullery	Rukavina	Walker
Bradley	Fuller	Kelliher	Murphy	Ruth	Walz
Brod	Gerlach	Klinzing	Nelson, C.	Samuelson	Wardlow
Buesgens	Goodwin	Knoblach	Nelson, M.	Seagren	Wasiluk
Carlson	Greiling	Koenen	Nelson, P.	Seifert	Westerberg
Clark	Gunther	Kohls	Newman	Sertich	Westrom
Cornish	Haas	Krinkie	Nornes	Severson	Wilkin
Cox	Hackbarth	Kuisle	Olsen, S.	Sieben	Zellers
Davids	Hausman	Lanning	Olson, M.	Simpson	Spk. Sviggum
Davnie	Heidgerken	Larson	Opatz	Slawik	

The bill was passed and its title agreed to.

S. F. No. 1903, A bill for an act relating to municipalities; including counties in the definition of municipality for purposes of removal of hazardous buildings or hazardous property; amending Minnesota Statutes 2002, sections 463.15, by adding a subdivision; 463.151; 463.152, subdivision 2; 463.16; 463.161; 463.25.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Hilstrom	Latz	Osterman	Smith
Abrams	Demmer	Hilty	Lenczewski	Otremba	Soderstrom
Adolphson	Dempsey	Holberg	Lesch	Otto	Solberg
Anderson, B.	Dill	Hoppe	Lieder	Ozment	Stang
Anderson, I.	Dorman	Hornstein	Lindgren	Paulsen	Swenson
Anderson, J.	Dorn	Howes	Lindner	Paymar	Sykora
Atkins	Eastlund	Huntley	Lipman	Pelowski	Thao
Beard	Eken	Jacobson	Magnus	Penas	Thissen
Bernardy	Ellison	Jaros	Mahoney	Peterson	Tingelstad
Biernat	Entenza	Johnson, J.	Mariani	Powell	Urdahl
Blaine	Erhardt	Johnson, S.	Marquart	Pugh	Vandever
Borrell	Erickson	Juhnke	McNamara	Rhodes	Wagenius
Boudreau	Finstad	Kahn	Mullery	Rukavina	Walker
Bradley	Fuller	Kelliher	Murphy	Ruth	Walz
Brod	Gerlach	Klinzing	Nelson, C.	Samuelson	Wardlow
Buesgens	Goodwin	Knoblach	Nelson, M.	Seagren	Wasiluk
Carlson	Greiling	Koenen	Nelson, P.	Seifert	Westerberg
Clark	Gunther	Kohls	Newman	Sertich	Westrom
Cornish	Haas	Krinkie	Nornes	Severson	Wilkin
Cox	Hackbarth	Kuisle	Olsen, S.	Sieben	Zellers
Davids	Hausman	Lanning	Olson, M.	Simpson	Spk. Sviggum
Davnie	Heidgerken	Larson	Opatz	Slawik	

The bill was passed and its title agreed to.

Paulsen moved that the remaining bills on the Calendar for the Day be continued. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Kahn moved that the name of Hornstein be added as an author on H. F. No. 1925. The motion prevailed.

Urdahl moved that the name of Nelson, P., be added as an author on H. F. No. 2209. The motion prevailed.

Thissen moved that the names of Davnie and Greiling be added as authors on H. F. No. 2543. The motion prevailed.

Boudreau moved that the name of Cornish be added as an author on H. F. No. 2571. The motion prevailed.

Cox moved that the name of Nelson, P., be added as an author on H. F. No. 2734. The motion prevailed.

Tingelstad moved that the names of Powell, Hackbarth, Borrell and Wardlow be added as authors on H. F. No. 2753. The motion prevailed.

Powell moved that the name of Pugh be added as an author on H. F. No. 2873. The motion prevailed.

Gunther moved that the name of Davids be added as an author on H. F. No. 2923. The motion prevailed.

Stang moved that the name of Mahoney be added as an author on H. F. No. 3089. The motion prevailed.

Simpson moved that the names of Lindgren, Fuller, Erickson, Nornes and Marquart be added as authors on H. F. No. 3118. The motion prevailed.

Dorman moved that the name of Ruth be added as an author on H. F. No. 3120. The motion prevailed.

#### ADJOURNMENT

Paulsen moved that when the House adjourns today it adjourn until 3:00 p.m., Thursday, March 25, 2004. The motion prevailed.

Paulsen moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 3:00 p.m., Thursday, March 25, 2004.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

